

Title: To save taxpayers money by improving the manufacturing and distribution of coins and notes, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

## SECTION 1. SHORT TITLE.

This Act may be cited as the “Currency Optimization, Innovation, and National Savings Act of 2017”.

## SEC. 2. SAVING TAXPAYERS MONEY BY SUSPENDING PRODUCTION OF THE PENNY.

(a) Policy of the United States.—It is the policy of the United States that—

(1) sufficient one-cent coins have already been minted to meet demand;

(2) taxpayers have been and would continue to lose money producing the one-cent coin; and

(3) further production of the one-cent coin is not necessary for the next decade.

(b) Temporary Suspension of Production of the One-cent Coin.—Except as provided in subsection (c) and notwithstanding any other provision of law, the Secretary of the Treasury shall cease production of any new one-cent coins for the 10-year period beginning on the date of enactment of this Act.

(c) Exception.—

(1) IN GENERAL.—The Secretary of the Treasury shall continue to produce one-cent coins as appropriate solely to meet the needs of numismatic collectors of that denomination.

(2) SALE.—The one-cent coins produced under paragraph (1) shall be sold in accordance with other general provisions governing collectible coins (as opposed to circulating coins).

(3) NET RECEIPTS.—The net receipts from the sale of one-cent coins produced under this exception shall equal the total cost of production, including variable costs and the appropriate share of fix costs of production, as determined by the Secretary of the Treasury.

(d) GAO Study.—Not later than 3 years after the date of enactment of this Act, the Comptroller General of the United States shall—

(1) study the effect of the suspension of production of the one-cent coin; and

(2) submit to Committee on the Budget and the Committee on Banking, Housing, and Urban Affairs of the Senate of the Senate and the Committee on the Budget and the Committee on Financial Services of the House of Representatives a report—

(A) on whether production should remain suspended or should be reinstated; and

(B) that considers—

(i) the net savings to taxpayers from suspension of production;

(ii) whether public demand for one-cent coins was able to be continuously met during the period of suspension;

(iii) whether public demand for one-cent coins would likely continue to be met in the future without new production;

(iv) whether the one-cent denomination of coin should be permanently ended as was the case with the one-half cent coin; and

(v) any other factors that are relevant.

(e) No Effect on Legal Tender.—Notwithstanding any other provision of this section, one-cent coins are legal tender in the United States for all debts, public and private, public charges, taxes, and duties, regardless of the date of minting or issue.

### SEC. 3. SAVING TAXPAYERS MONEY BY CHANGING THE COMPOSITION OF THE NICKEL.

(a) New Composition Required.—Section 5112 of title 31, United States Code, is amended by adding at the end the following:

“(w) Composition of Circulating Coins.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, the Director of the United States Mint shall modify the composition of the five-cent coin in accordance with a study and analysis conducted by the United States Mint to a variant of cupronickel composition equal to 80 percent copper and 20 percent nickel.

“(2) EFFECT.—This subsection shall remain in effect as long as the Director of the United States Mint verifies that the modification described in paragraph (1) will—

“(A) reduce costs to the taxpayer;

“(B) is found to be seamless through test by most coin-acceptors; and

“(C) will have no impact on the public or on stakeholders.

“(3) INCREASE IN COPPER CONTENT.—The Director of the United States Mint may increase the percentage of copper and decrease the percentage of nickel in the five-cent coin if—

“(A) the Director of the United States Mint submits to Congress a study on such a modification;

“(B) the Director of the United States Mint makes the findings described in paragraph (2); and

“(C) the 90-day period beginning on the date on which the study is submitted under subparagraph (A) has expired.”.

### SEC. 4. SAVING TAXPAYERS MONEY BY REPLACING \$1 NOTES WITH \$1 COINS.

(a) In General.—It is the policy of the United States that \$1 coins should replace \$1 Federal reserve notes as the only \$1 monetary unit issued and circulated by the Board of Governors of

1 the Federal Reserve System.

2 (b) Final Date for Placing \$1 Notes Into Circulation.—Beginning on the date that is 2 years  
3 after the date of enactment of this Act, the Board of Governors of the Federal Reserve System  
4 may not issue \$1 Federal reserve notes.

5 (c) Transition Period.—Before the date described in subsection (b), the Board of Governors of  
6 the Federal Reserve System shall ensure adequate supplies of \$1 coins to meet the demand of  
7 such coins on and after such date.

8 (d) Removal and Destruction of \$1 Federal Reserve Notes.—The Board of Governors of the  
9 Federal Reserve System shall ensure that all \$1 Federal reserve notes removed from circulation  
10 in accordance with the date described in subsection (b) have been destroyed.

11 (e) Exception.—Notwithstanding subsections (b) and (c), the Board of Governors of the  
12 Federal Reserve System shall produce such Federal reserve notes of \$1 denomination as the  
13 Board of Governors determines from time to time are appropriate solely to meet the needs of  
14 numismatic collectors of that denomination. Such collectible versions of \$1 Federal reserve notes  
15 shall be sold in accordance with other general provisions governing collectible versions of notes.

16 (f) No Effect on Legal Tender.—Notwithstanding any other provision of this section, \$1  
17 Federal reserve notes are legal tender in the United States for all debts, public and private, public  
18 charges, taxes, and duties, regardless of the date of printing or issue.  
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